

**Testimony of Pamela Faggert, Dominion**

**Warren County Power Station PSD Public Hearing, November 9, 2010**

Good evening. My name is Pamela Faggert. I am Vice President and Chief Environmental Officer for Dominion, the applicant for the permit that is the subject of this hearing. We thank the members of the State Air Pollution Control Board for presiding over and attending this hearing. Dominion supports the proposed permit and requests that it be issued in order to support our project needs and schedules. Dominion is one of the nation's largest producers and transporters of energy, with a portfolio of approximately 27,500 megawatts of electric generation, including over 14,000 megawatts here in Virginia.

We are proposing to build a natural-gas fired, combined-cycle power station in the Kelley Industrial Park in Warren County. Dominion purchased the Warren County Power Station project from the original developer in 2008 because we saw the potential for this location. It is ideally located with an existing 500kv transmission line on the property that can deliver electricity to meet Dominion Virginia Power's growing demand in northern Virginia. We propose to use state-of-the-art Mitsubishi combined cycle technology equipment in a 3-on-1 configuration (three combustion turbines and one steam turbine). The combined cycle technology utilized for this

project is the most fuel-efficient combustion process available today. Combined-cycle combustion of natural gas produces the least byproducts, including air emissions, of any full-time base or intermediate load, large-scale power generation technology, except nuclear or hydroelectric. The emissions from this facility have been thoroughly evaluated and will comply with all applicable emissions standards. With our proposed mitigation to be imposed by the permit, we believe that a net environmental benefit will be created.

We currently hold a valid Clean Air Act Prevention of Significant Deterioration construction permit for a smaller facility at this location. Because of Virginia's existing significant capacity gap, with our state being the second largest importer of electricity behind California, and the substantial projected increasing demand for electric power, we applied in January of this year for a PSD permit to construct a larger facility at this location. When we took over this project, it was designed to be among the cleanest fossil-fuel fired facilities in the nation. Our larger project takes no shortcuts with this designation – we expect that it will continue to be at or near the top of the EPA's national clearinghouse list of facilities with the best air pollution control technologies. Our emissions will be controlled beyond BACT, to levels that are considered to be the Lowest Achievable Emissions Rates, for the primary components of our emissions. The primary emissions sources at the facility will

burn only natural gas. (There are two diesel engines for emergency backup purposes that will operate occasionally to ensure their capability to provide service in emergencies.) Carbon monoxide emissions will be controlled by oxidation catalysts and nitrogen oxide emissions will be controlled by SCRs.

The Virginia DEQ worked with us throughout the application process. We submitted a variety of extensive, comprehensive air quality analyses that show that the emissions from this facility will not cause or contribute to violations of ambient air quality standards, nor will the facility's emissions exceed any allowable PSD increments. These analyses were done in accordance with protocols developed with US EPA guidance, and approved by the DEQ. This facility exceeds all current standards for emissions controls and complies with all ambient air quality standards.

Because the facility will be located near the Shenandoah National Park, we have reached out to the National Park Service to collaborate on ways to protect air quality at the park. The draft permit requires that we obtain and retire emissions offsets (that is, emissions reductions from other facilities) for the Warren County Power Station. Dominion has agreed to significantly increase the level of these offsets, at higher ratios than were included in the previous permit. These offsets will

result in a reduction in regional emissions and help to ensure that there will be a net environmental benefit. We are continuing our discussions with the Park Service and DEQ. We share the same goal of protecting the park and we have every reason to believe that we will be able to address any concerns that the Park Service may have.

Although it is not the subject of today's hearing, the facility is also designed with air cooled condensers, to consume very little water. The overall water consumption will be reduced by approximately 85% compared to conventional cooling technologies. We are proposing to utilize the Town of Front Royal's existing water and sewer services to meet the facility's needs.

In summary, we believe that we have proposed a clean, efficient power station that meets or exceeds all applicable requirements, and combined with emissions offsets to be imposed in the permit, we believe will produce net environmental benefits to the region. We urge the State Air Pollution Control Board to approve this permit for this important project at its December meeting. Thank you.